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P 021720Z OCT 09 ZDK ZDK NUMEROUS REQUESTS

FM AMEMBASSY ABUJA

TO RUEHC/SECSTATE WASHDC PRIORITY 7145

INFO RUEHZO/AFRICAN UNION COLLECTIVE PRIORITY

RUEHZK/ECOWAS COLLECTIVE PRIORITY

RUEHSA/AMEMBASSY PRETORIA PRIORITY 2100

RUEHYD/AMEMBASSY YAOUNDE PRIORITY 1045

RUEHOS/AMCONSUL LAGOS PRIORITY 2038

RHMFSS/HQ USAFRICOM STUTTGART GE PRIORITY

RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY

RHEHNSC/NSC WASHINGTON DC PRIORITY

RUEAIIA/CIA WASHINGTON DC PRIORITY

RUEKDIA/DIA WASHDC PRIORITY

RHMFSS/HQ USEUCOM VAIHINGEN GE PRIORITY

RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 ABUJA 001822

SIPDIS

STATE FOR AF/FO, AF/W, INR/AA;  
USAID/AFR/WA DALZOUMA

E.O. 12958: DECL: 09/28/2019

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SUBJECT: NIGERIAN NUGGETS -- OCTOBER 2, 2009

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Classified By: Political Counselor James P. McAnulty  
for reasons in Sections 1.4 (B) and (D)

¶1. (U) Mission Nigeria provides the following compilation of recent political, economic, and social developments not reported previously.

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NIGERIA STRIVES FOR FAA CATEGORY ONE RATING  
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¶2. (SBU) Nigeria continued efforts to achieve a U.S. Federal Aviation Administration Category One rating that would allow Nigerian carriers to establish routes from Nigeria to the United States. The Nigerian Federal Airports Authority staged a first-ever Ramp Safety Week to promote a safety culture that would reduce incidents and accidents on the ramps. The week ended with an award ceremony at which the Ambassador accepted an award on behalf of the Mission in recognition of U.S. support for aviation safety and security. Since November 2008, the Mission has sponsored three public private workshops on aviation safety and security.

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NEW BANKNOTES  
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¶3. (SBU) The Central Bank of Nigeria (CBN) introduced new five, ten, and fifteen naira polymer banknotes into circulation September 30 to coincide with Nigeria's anniversary of independence the next day. The new notes retain current designs but include enhanced security features. Existing paper notes of these denominations will circulate concurrently with the new polymer notes until March 31, 2010. Banks established exchange windows to allow the public to exchange old notes for new ones.

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FIFTEEN BANKS TO EMERGE AFTER REFORMS  
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¶4. (SBU) CBN Deputy Governor for Operations Tunde Lemo told the public to expect that Nigeria's banks will decline from 24 to 15 after enactment of reforms. Explaining that the

banks' major shortcoming involved false data reporting, he emphasized the value of providing stakeholders with information on their true financial positions, which would allow individuals to make informed decisions and reduce risks that could lead to loss of confidence. He emphasized the importance of sound corporate governance and compliance with best practices and international standards.

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NIGERIA TO GRANT NEW MINING LICENSES  
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15. (SBU) The Nigerian Government (GON) planned to increase issuance of new mining licenses and review existing ones as part of efforts to revive the moribund mining sector, according to the press. Mines Minister Diezani Alison Madueke said during a speech at the London Stock Exchange that this initiative, set to conclude by the end of October, complemented GON efforts to diversify the economy away from oil and gas towards agriculture, food processing, and mining, resulting in new jobs for the country's young population. (N.B.: Half of Nigeria's estimated 150 million people is under the age of 15, a percentage expected to increase significantly during the next 20 years. End Note.) The Mission hosted a minerals team from Embassy Pretoria to help assess Nigeria's mining potential and encourage possible future U.S. investment.

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NNPC ASSURES AN ADEQUATE FUEL SUPPLY  
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16. (SBU) The Nigerian National Petroleum Corporation (NNPC) assured the public September 25 that petroleum products would

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remain widely available. NNPC dismissed rumors that banking reforms are hurting importation of the petroleum products due to lack of ability and willingness by banks to provide credit facilities.

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CHINESE SEEK HUGE STAKE IN NIGERIAN OIL  
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17. (SBU) China National Offshore Oil Corporation (CNOOC), the state-owned Chinese oil conglomerate, reportedly seeks to acquire six billion barrels of oil -- equivalent to one-sixth of Nigeria's proven reserves, according to press reports and some industry contacts. The bid for oil blocks could put the Chinese into competition with western oil groups, including Shell, Chevron, Total and ExxonMobil, which operate the 23 oil blocks under discussion. Sixteen licenses are up for renewal, while licenses for two blocks (Shell's Bong field and Chevron's Agbami field) will expire in 2023 and 2024, respectively. A presidential spokesperson said that negotiations are ongoing with all stakeholders.

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AIRPORT OPENS IN AKWA IBOM  
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18. (SBU) An Arik Airlines Boeing 737 plane made an inaugural flight September 23 to the newly constructed Ibom International Airport (IIA) in the Okop-Edi community of Akwa Ibom, becoming the first aircraft to land in this state. Governor Godswill Akpabio, prior Governor Obong Victor Attan, Niger Delta Affairs Minister Ufot Ekaette, and People's Democratic Party leaders witnessed the event. Work on the IIA began in November 2005 when U.S. company DynCorp International won a contract to build the USD 200 Million facility with a 3,600-meter runway, a four-gate terminal building, and a maintenance-repair-overhaul (MRO) hanger. DynCorp terminated the contract for cause in 2008. IIA represents the third airport to open in the south-south

region, after Port Harcourt and Calabar. The state government lauded the MRO as IIA's main selling point. Lagos and Ogun states also plan to build international airports in the southwest.

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CHINESE NATIONAL DAY  
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¶9. (SBU) An estimated 300 persons attended China's sixtieth national day celebration at the Oriental Hotel on Lagos' Victoria Island, including Chinese nationals from construction companies (Fed Steel and CECC) and various oil companies (Sinopec). Chinese organizers tried to open a PowerPoint presentation, apparently with a non-licensed version of the software. Instead of opening the presentation, a screen appeared that requested a license key, and organizers gave up on showing the presentation.

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USAID SPEARHEADS CUSTOMS REFORM  
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¶10. (SBU) USAID and implementing partner MARKETS met leading Nigerian advocates of customs reform, including Customs Comptroller General Abdullahi Dikko, to discuss customs modernization and trade facilitation. USAID and MARKETS successfully advocated an audit of service contracts for assessing the effectiveness of third-party cargo inspection services, a task normally forming part of the Customs Service's core functions. MARKETS will analyze revenue earned under the current contracts, and the possible impact on revenue after these services come back the Customs Service after contracts expire in 2012. The project will analyze a draft Customs and Excise Management Act (CEMA) for compliance with the Revised Kyoto Convention and World Customs Organization SAFE Framework of Standards. The GON plans to introduce to the National Assembly early next year an amended CEMA that complies with international standards.

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ASUU, STUDENTS PROTEST SEEK PUBLIC SUPPORT  
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¶11. (SBU) Niger Delta University (NDU) students and Academic Staff Union of Universities (ASUU) members staged a peaceful rally September 23 in Bayelsa State, protesting GON failure to honor commitments to professors and public universities. Students and professors described Nigeria's education system as deplorable and on the verge of collapse. NDU ASUU Chairman Dr. Initimiebi Ogidi told hundreds of students the union would remain resolute in its struggle until desired changes occurred. The National Association of Nigerian Students (NANS) and Education Rights Campaign (ERC) announced plans to hold subsequent protests in Lagos and Edo states. ERC National Coordinator Hassan Taiwo Soweto told local press that they expected a "large turn-out." Soweto disclosed that the rallies would be a "prelude" to another protest in Abuja after the National Assembly returned from recess. Nationwide public university strikes have entered their third month, effectively shutting down public higher education across the country.

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TIP AWARENESS EVENT SPOTLIGHTS GIRLS  
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¶12. (SBU) The National Agency for Prohibition of Trafficking in Persons sponsored Nigeria's first mini-marathon for under-17 youth September 26 in Edo State, the state with the highest incidence of persons trafficked out of the country. The public awareness event provided prizes, including educational and skills acquisition grants, computers, and

bicycles. The top prize of 2,250 dollars went to the girl who finished first, while the top boy finisher received a lesser prize of 1,950 dollars. The prize differential reflected the higher incidence of girls being trafficked.

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CIVIL SOCIETY DISSATISFACTION IN OSUN  
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¶13. (C) Osun State Coalition Against Rights Violations (OSCARV) in Oshogbo told PolOff September 22 that they routinely suffered harassment from police and detention for days, sometimes weeks, without cause, usually with the complicity of unethical magistrates who adjourned their cases to keep them in legal "limbo." The activists alleged that Osun State had no running tap water because government officials, including the governor, owned bottled and sachet water businesses. They expressed pessimism about prospects for an end to the strike by university professors, noting that most elites sent their children overseas for studies, and several former public officials and military rulers owned private schools and universities. They criticized the governance and priorities of Governor Oyinlola, noting that the Osun State budget devoted only five percent of funding to health programs, while the World Health Organization recommended a minimum of 15 percent.

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ELDER BANKOLE RULES OUT SON'S GUBERNATORIAL BID  
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¶14. (C) Chief Alani Bankole, father of Federal House of Representatives Speaker Dimeji Bankole, told PolOffs in Abeokuta September 24 that his son would not receive any support from the family if he ran for Governor. The Chief declared that "easy oil wealth had destroyed Nigeria," particularly agriculture and people's work ethics.

¶15. (U) Embassy Abuja and Consulate General Lagos collaborated on this telegram.

MCCULLOUGH